more comforts, to wean away passengers who presently use personalised vehicles, to public transport. The State Governments have also been asked to take action on similar lines to make public transport more attractive and to effect savings in the use of petrol and diesel.

(b) Does not arise in view of reply to (a) above.

Audit of Nationalised Banks and Financial Institutions by Comptroller and Auditor General of India

667. SHRI ANADI CHARAN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether there is a persistent demand for entrusting the Comptroller and Auditor General of India with the audit of nationalised banks and other financial institutions such as Life Insurance Corporation, General Insurance Corporation etc; and

(b) if so, the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Demands have been made from time to time for entrusting the Comptroller and Auditor General of India with the audit of nationalised banks and other financial institutions.

(b) The audit of the General Insurance Corporation (GIC) which is a Government Company registered under the Companies Act, 1956 is within the purview of the Comptroller & Auditor General of India (C&AG). The accounts of the nationalised banks and the Life Insurance Corporation of India are audited by the statutory auditors who are qualified to act as auditors of a company under the Companies Act, 1956 and are appointed by them with the prior approval/consultation of the Government, in accordance with the provisions of the statutes governing them.

The question of bringing the audit of nationalised banks and the Life Insurance Corporation of India within the purview of C&AG has been examined in the recent past. It was found that the existing system of audit and internal inspections/control in public sector banks, including nationalised banks and public financial institutions like Life Insurance Corporation of India, is working smoothly. Further, in view of the nature of commercial operations of these institutions there is need to ensure a proper mix of autonomy and accountability. Therefore, the Government do not consider it necessary to entrust the audit of these organisations to the Comptroller & Auditor General of India.

Implementation of Service Area Approach Programme by Public Sector Banks

668. PROF. RAM KAPSE: Will the Minister of FINANCE be pleased to state:

(a) the progress made by Public Sector Banks so far in the implementation of Service Area Approach Programme;

(b) whether the Regional Rural Banks can implement the above programme in a better way;

(c) whether there is any proposal for expansion of Regional Rural Banks; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The Service Area Approach to rural lending launched by Reserve Bank of India became operational with effect from 1st April, 1989. The public sector banks have been preparing credit plans under this new dispensation for the last 3 years i.e. 1989-90, 1990-91 and 1991-92. The data available so far indicates that the performance

of public sector banks since the introduction of Service Area Approach has been satisfactory. The data for 1989-90, 1990-91 is given below:—

(*Rs. in crores*)
(*Provisional*)

Public Sector Banks	*Target for 1989-90*	*Achievements for 1989-90*	*Target for 1990-91*
1. Agriculture & Allied activities .	4316	3838	5025
2. Small Scale Industries .	1603	1596	1558
3. Other priority sectors .	1616	1425	1641
Total .	7535	6859	8224

(b) Service Area allocations are made to all commercial banks i.e. public sector banks, private sector banks and Regional Rural Banks (RRBs). Keeping in view the resource position of RRBs and their nature of lendings, the responsibility to cater to the credit needs of non-target group of borrowers in the service area of RRBs has been entrusted to designated branches of commercial banks which are by and large sponsor bank branches. In case of financially weak RRBs, the responsibility of catering to the credit needs of even the target group is that of the designated branches of commercial banks.

(c) No, Sir.

(d) Does not arise.

Export Processing Zone in Tamil Nadu

669. SHRI C. K. KUPPUSWAMY: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to declare Tiruppur, in Tamil Nadu as an Export Processing Zone for hosiery garments;

(b) if so, the details thereof: and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (c) There is no proposal at present to set up Tiruppur as an Export Processing Zone as most of the existing Zones are yet to be fully utilized.

Fire in Sena Bhavan

670. SHRI BHUWAN CHANDRA KHANDURI: Will the Minister of DEFENCE be pleased to state:

(a) whether a fire broke out in Army Headquarters, 'Sena Bhavan' in the last week of June, 1991.

(b) if so, the number of secret and other important documents damaged due to the fire;

(c) whether any responsibility has been fixed in this regard; and

(d) if so, the details thereof?

THE MINISTER OF DEFENCE (SHRI SHARAD PAWAR): (a) Yes, Sir.

(b) No classified or important documents were destroyed/damaged in the fire.

(c) and (d) A Court of Inquiry has been set up to investigate causes of fire, to determine the extent of damage and to recommend remedial measures. Responsibility for the fire will be fixed on the basis of the report of the Court of Inquiry.